

BELLMON PROFILE

COUNTRY NAME **CAPE VERDE**

FISCAL YEAR **2003**

MONETIZED
TITLE II
COMMODITIES **corn, wheat**
a market analysis has
been carried out for vegetable
oil and beans

MONETIZATION
PROGRAM **ACDI/VOCA**

DATE OF LAST
BELLMON ANALYSIS **August 2001**

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COUNTRY BACKGROUND INFORMATION

The Republic of Cape Verde is a group of islands located in the North Atlantic Ocean, west of Senegal, covering 4,033km². With an estimated population of 0.45 million and a per capita GNI of \$1,310, Cape Verde is classified as a medium human development country and a

Low-Income Food-Deficit Country (LIFDC)¹. 30% of its population lives below the national poverty line². The 2002 UNDP Human Development Index (HDI) ranks it 100 out 173 countries³.

ACDI/VOCA Cape Verde – Experimental Dry Land Crop Production

Cape Verde suffers from a poor natural resource base, including serious water shortages rebated by cycles of long-term drought. It's economy is service-oriented, with commerce, transport and public services accounting for almost 71.6% of GDP. Although nearly 70% of the population lives in rural areas, the share of agriculture in GDP in 2001 was only 11%⁴. About 82% of the food must be imported⁵.

¹ A LIFDC is an FAO classification which includes all basic foodstuffs net importing countries with a per caput income below the level used by the World Bank to determine IDA eligibility

² World Bank – Cape Verde at Glance – 9/23/02

³ PNUD 'Rapport Mondial sur le Developpement Humain 2002) p. 152

⁴ *ibid.*

⁵ CIA – The World Factbook - 2002

DISINCENTIVE DATA

The principal foods consumed locally in Cape Verde include maize, rice, beans, wheat, and vegetable oil. Table I (below) shows whether each commodity is imported, produced and/or programmed.

Table 1: CAPE VERDE – Foods Consumed, Produced, Imported and Programmed

Foods Consumed locally	Produced locally	Imported	Programmed
Wheat		X	X
Rice		X	
Veg oil (clear)		X	
Beans	X	X	X
Corn	X	X	X

CROP PRODUCTION

Cereals represent 57% in total calorie intake¹. Corn is grown on all nine of Cape Verde's inhabited islands. It is the only cereal produced in the country in any significant quantity. From 1980 to 2001, corn production varied from a low of 1,300 MT in 1985 and 1996 to a high of 36,439 in 1999. The average during the period was roughly 9,500 MT, which is approximately 20 percent of national consumption.

Bean and pigeon pea production varies from a small fraction of consumption needs to a small surplus. Pulse production in Cape Verde was short of the official government consumption requirement of 21 kg per capita during 17 of the 21 years ending in 2000.

Cape Verde's food deficit is structural and the country will need to continue to import food for the foreseeable future.

¹ FAO/GIEWS: Africa Report, December 2001

Table 2 CAPE VERDE Annual Cereal Production and Imports 1997-2001

Calendar Year	1997	1998	1999	2000	2001	5-year avg
Population	406,514	417,200	428,227	434,812	456,881	428,727
Units:	MT	MT	MT	MT	MT	MT
Corn				(a)	(a) (b)	
Domestic Production	4,900	3,400	36,439	25,000	19,549	17,858
Commercial Imports	35,222	21,329	10,666	-	9,853	15,414
Food Aid	25,213	19,435	30,826	15,258	14,737	21,094
Total Available	65,335	44,164	77,931	40,258	44,139	54,365
U.S. Aid	2,852	5,630	15,434	15,258	14,414	10,718
U.S. % of Total Available	4.4%	12.7%	19.8%	37.9%	32.7%	21.5%
Wheat						
Commercial Imports	6,648	-	7,940	11,573	4,169	6,066
Food Aid	13,387	21,223	13,941	11,802	9,425	13,956
Total Available	20,035	21,223	21,881	23,375	13,593	20,021
U.S. Aid	-	9,927	-	4,957	3,500	3,677
U.S. % of Total Available	0.0%	46.8%	0.0%	21.2%	25.7%	18.7%
Rice						
Commercial Imports	15,200	11,158	17,843	9,019	24,952	15,634
Food Aid	9,396	10,542	9,490	10,879	3,581	8,778
Total Available	24,596	21,700	27,333	19,898	28,532	24,412
U.S. Aid	4,802	-	-	-	-	960
U.S. % of Total Available	19.5%	0.0%	0.0%	0.0%	0.0%	3.9%
Total Cereals						
Domestic Production	4,900	3,400	36,439	25,000	19,549	17,858
Commercial Imports	57,070	32,487	36,449	20,592	38,973	37,114
Food Aid	47,996	51,200	54,257	37,939	27,742	43,827
Total Available	109,966	87,087	127,145	83,531	86,264	98,799
U.S. Aid	7,654	15,557	15,434	20,215	17,914	15,355
U.S. % of Total Available	7.0%	17.9%	12.1%	24.2%	20.8%	16.4%
U.S. % of Total Food Aid	15.9%	30.4%	28.4%	53.3%	64.6%	38.5%

Sources: CNASA/DSSA and GEP of the Ministry of Agriculture and Fisheries, Customs, National Statistics Institute (INE), EMPA, MOAVE, WFP and FAO.

- (a) These are the “final” GOCV Ministry of Agriculture and Fisheries estimates of the corn crop harvested during December 2000 and January 2001 (“2000” column). The 2001/2002 crop production figures (“2001” column) are “final” estimates from the GOCV Ministry of Agriculture and Fisheries and from CILSS that came out earlier this year.
- (b) CY 2001 began with nearly depleted inventory levels of corn. The year ended with corn inventories again almost depleted and shortages in some areas of the county.
- (c) The figures shown in the table are actual disappearance figures. GOCV official documents state annual per capita consumption requirements as follows: 123 kg of corn, 39 kg of rice, 44 kg of wheat (which is equivalent to 33 kg of flour), and 21 kg of beans and pigeon peas. One of the documents that reports this consumption requirement

is the “Anuário Estatístico Segurança Alimentar” (Annual Food Statistics Bulletin) of DSSA, Ministry of Agriculture and Fisheries.

Table 3 Annual Pulse Production and Imports

Calendar Year (a)	1997	1998	1999	2000	2001	5-year avg
Population	406,514	417,200	428,227	434,812	456,881	428,727
Units:	MT	MT	MT	MT	MT	MT
Peas and Beans					(a)	
Pigeon Pea Production	396	1,976	782	1,000	593	949
Bean Production	<u>1,634</u>	<u>1,032</u>	<u>6,268</u>	<u>7,500</u>	<u>4,757</u>	<u>4,238</u>
Total Production	2,030	3,008	7,050	8,500	5,350	5,188
Small Pea Com'l Imports	-	3	51	1	-	11
Pigeon Pea Com'l Imports	1,038	1,454	1,292	382	-	833
Bean Com'l Imports	<u>1,530</u>	<u>1,967</u>	<u>1,678</u>	<u>606</u>	<u>1,345</u>	<u>1,425</u>
Total Com'l Imports	2,568	3,424	3,021	989	1,345	2,269
Food Aid Beans	1,463	1,201	-	-	-	533
Total Available	6,061	7,633	10,071	9,489	6,695	7,990
U.S. Aid Beans	-	1,201	-	-	-	240
U.S.% of Total Avail	0%	16%	0%	0%	0%	3%

Sources: CNASA/DSSA and GEP of the Ministry of Agriculture and Fisheries, Customs, INE), FAO, and WFP.

(a) Year 2001 data is from the Ministry of Agriculture's Annual Agriculture Study for the 2001/2 season.

(b) Please refer to footnote (c) of the previous table for further discussion on “consumption requirements. For definitions of abbreviated sources, please refer to the **List of Acronyms and Abbreviations** at the end of this report.

COMMODITY HANDLING FACILITIES

Praia

Bulk commodity is discharged from the ship into a portable dock-side hopper, loaded into dump trucks that transport the corn to the silos (10,000 metric ton capacity) about 300 meters from the dock. Batch scales at the silos can unload 900-1,200 metric tons per day. EMPA has storage facilities for 10,000 MT of bagged or boxed food commodities in Praia and additional storage at warehouses throughout Cape Verde.

Mindelo

MOAVE and EMPA share bulk commodity storage facilities in Mindelo. Bulk commodity is discharged from the ship into a portable dock-side hopper, loaded into grain wagons towed by small tractors that transport the bulk commodity from the dock to the silos (total capacity of 8,200 metric tons of bulk commodity) about 300 meters away. The two 500 kg batch scales at the silos can handle 120 metric tons per hour each. The capacity of the unloading operation in Mindelo is therefore about 240 metric tons per hour. MOAVE has storage capacity for 300 MT of bulk and 600 MT of bagged flour at the flour mill site (located at the port of Mindelo). Wholesale flour sales are made to private traders at the flour mill and the buyer is responsible for transportation. MOAVE can store 3,000 MT of wheat in bags off-site.